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during the past year should also be continued. The United States must be in a position to employ these programs with the utmost speed and precision to accomplish our goals under the swiftly shifting circumstances of the world.

Our country's participation in technical-cooperation programs must be vigorously advanced. Certain fundamentals are essential to their success. First, they should provide experts and know-how rather than large amounts of funds or goods, although they should not be allowed to fail due to lack of necessary teaching and demonstration equipment. Second, they should be tightly adjusted to the needs of the host countries. Third, they should be so administered as to reach as many people as possible, helping them raise their own standards of living and solve their own problems. Technical-cooperation programs now before the Congress are based on these fundamentals. These programs are our most effective countermeasure to Soviet propaganda and the best method by which to create the political and social stability essential to lasting peace.

Three months ago I advised the Congress that economic assistance on a grant basis should be terminated as swiftly as our national interest would allow. This concept underlies the new programs. In Europe economic assistance is recommended only for a few local programs of especial importance. As rapidly as feasible in our relationships with other countries, these programs are being supplanted by more durable undertakings in the field of mutually profitable private investment and trade. As such trade and investment expands, the need for grant assistance will further diminish. But this expansion takes time and effort. This requires that in strategically located, underdeveloped areas of the world, some grant assistance must be continued for an additional period of time. Such assistance is also needed for certain countries which lack the economic capacity to establish and equip military forces needed for the common defense.

Notwithstanding the continuing need for such grants, we must strive constantly toward relationships with our friends which are more satisfactory, both to them and to us, than grant assistance. This legislation should, therefore, reserve for loans not less than \$100 million of the fiscal year 1955 funds. Such loans would be made where there is reasonable chance of repayment in dollars or in local currencies, and should be extended in a manner that would not substantially impair a country's capacity to borrow from private banking sources, the International Bank for Reconstruction and Development, or the Export-Import Bank. This is a vital step toward the general replacement of grant economic assistance. We shall achieve this goal as quickly as world conditions and our national welfare permit.

In the administration of the mutual security program, agricultural surpluses will be used to strengthen the economies of friendly countries and to contribute in other ways to the accomplishment of our foreign policy objectives. We shall also attempt to use other products of our

farms and the output of our industries whenever their use is consistent with the essential objectives of the program, after taking into account such factors as availability, price, and quality. In the conduct of these and other mutual security programs a Foreign Operations Administration performs a necessary function and should be continued.

The United States has chosen carefully from among many alternatives in order to chart a sound course in the world.

We have chosen to build defenses with our allies rather than go it alone, because we are convinced that this course is more effective and less costly.

We have chosen to help develop and expand world markets, because we believe that this course will strengthen the economies of all free nations, including our own.

We have chosen to exchange technical knowledge and ideas with our friends, because we believe that course will go far toward countering the effects of Communist propaganda, while at the same time promoting peace through improved political and economic stability.

Having embarked upon these courses of action, we shall follow them through. We did not choose the gigantic struggle now endangering the world, but surely this is clear: During periods when the contest is hardest, we must not falter, we must not abandon programs of positive action. Instead, at such a time we must intensify sensible and positive action.

This program of mutual security is such action; it is one of our most effective, most practical, least costly methods of achieving our international objectives in this age of peril.

I therefore strongly urge enactment of mutual security legislation along the lines I have herein generally outlined.

Dwight D. Eisenhower.

THE WHITE HOUSE, June 23, 1954.

NEED FOR PRESIDENTIAL COMMISSION ON UNITED STATES FOREIGN INTELLIGENCE ACTIVITIES

(Mr. FRELINGHUYSEN. Mr. Speaker, I was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Mr. Speaker, I have introduced today a bill, H. R. 9660, to create a Commission on United States Foreign Intelligence Activities. This will be a 9-man Presidential commission, 5 members of which shall be appointed by the President, who shall also designate the chairman. Four members are to be appointed from the Congress, 2 from the Senate and 2 from the House.

This commission will have two major responsibilities: First, to make a full and complete investigation of this country's foreign intelligence activities; and, second, to examine the security of these intelligence agencies from penetration by subversive elements. The findings and recommendations of the commission are to be submitted both to the Congress and the President on or before March 1, 1955.

I should like to make a few brief comments to explain why I am proposing this Commission on United States Foreign Intelligence Activities. In the first place, I think all of us here in Congress recognize that the adequacy, timeliness and overall effectiveness of our national intelligence effort is of vital importance to our national security. The effect of our tremendous military expenditures could be greatly lessened, or even nullified, if our intelligence system is ineffective or faulty. The very safety of our Nation would be jeopardized if we were not forewarned of a sneak attack. It is essential for us to have sound estimates on the intentions and capabilities of our potential enemies. We cannot afford another Pearl Harbor.

A commission such as I am proposing would make a thorough, intensive, and impartial survey of our foreign intelligence activities. No such inquiry has been made since shortly after the passage of the National Security Act of 1947. For that reason it is timely and appropriate to take this step now.

As we all know, the Congress has voted considerable sums for these intelligence agencies, and yet we know virtually nothing as to the scope and success of their operations. Members of the Appropriations Committee and the Armed Services Committee, it is true, have some knowledge of their expenditures and the types of activities involved, but no comprehensive study has been made. For that reason also it seems the part of wisdom for the Congress to authorize this investigation.

I realize that President Eisenhower, if he sees fit, could establish such a Commission without any legislative assistance. On the other hand this is a field where the Congress might logically take the initiative. By expressing congressional interest, we can authorize a discreet but thorough investigation supervised by a responsible and impartial Commission.

Others have suggested that a joint committee on the Central Intelligence Agency be established to provide continuous, and presumably discreet, check on that agency. I do not believe such an over-the-shoulder, watchdog committee is necessary. Furthermore, I think that it is preferable for a Presidential Commission to be established, with a majority of its members appointed by the President. These intelligence agencies are responsible to the executive branch, and they should be made primarily accountable to the President.

If we agree that a study of some kind is advisable, some of us may feel that an investigation by a congressional committee would be sufficient and appropriate. I definitely do not agree with such a view. The confidential and infinitely varied nature of our intelligence effort, it seems to me, precludes a public airing such as a congressional investigation would entail. It was realized in 1947 that publicity would perhaps defeat the purposes for which the Central Intelligence Agency was formed. For that reason the Congress exempted the CIA from the usual surveillance required of other

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